

ASSEMBLY BILL

No. 4

Introduced by Assembly Members Parra, Bermudez, and Spitzer

August 8, 2006

An act to add Chapter 3.22 (commencing with Section 15819.39), and Chapter 3.23 (commencing with Section 15819.43) to Part 10b of Division 3 of Title 2 of, the Government Code, and to add Chapter 9.8 (commencing with Section 6270) to Title 7 of Part 3 of the Penal Code, relating to prisons, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 4, as introduced, Parra. Correctional facilities: revenue bonds.

Existing law permits the funding for the construction of various prisons through lease-purchase financing arrangements.

This bill would authorize the design and construction or renovation of reentry program facilities, and the design and construction of 2 new prison facilities. The bill would authorize the State Public Works Board to issue revenue bonds to finance all of those projects, and, among other things, would provide that certain funds are continuously appropriated for that purpose.

The bill would state that reentry program facilities constructed pursuant to the bill would be secure facilities of approximately 500 beds each, and would be located only in a city, county, or city and county that requests such a facility. Those facilities would provide programming to inmates and parole violators tailored to the specific problems faced by that population when reintegrating into society. The bill would require the Department of Corrections and Rehabilitation to develop a collaborative partnership with the local

government, local law enforcement, and community service providers of the locations where those facilities are constructed.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 3.22 (commencing with Section 15819.39) is added to the Government Code, to read:

CHAPTER 3.22. FINANCING FOR REENTRY PROGRAM
FACILITIES

15819.39. The Department of Corrections and Rehabilitation may acquire land for, design, construct, or renovate, reentry program facilities, as authorized in Chapter 9.8 (commencing with Section 6270) of the Penal Code. The scope and costs of these projects shall be subject to approval and administrative oversight by the State Public Works Board, including augmentations, pursuant to Section 13332.11 or 13332.19.

15819.40. For all projects approved for financing by the board pursuant to Section 15819.39, the board may borrow funds for project costs, including acquisition, studies, preliminary plans and working drawings, construction and construction related costs from the pooled money investment account pursuant to Sections 16312 and 16313. Project funds expended prior to project approval by the board shall not be reimbursable from the proceeds of the bonds.

15819.41. (a) The board may issue revenue bonds, negotiable notes, or negotiable bond anticipation notes pursuant to this part, to finance the acquisition, design, or construction, and the costs of interim financing, of reentry program facility projects authorized in Section 15819.39. Authorized costs for acquisition, design, construction, and construction related costs, for all projects approved for financing by the board pursuant to Section 15819.39, shall not exceed two billion twenty-three million dollars (\$2,023,000,000).

(b) Notwithstanding Section 13340, funds derived from interim financing, revenue bonds, negotiable notes, or negotiable bond anticipation notes issued pursuant to this chapter are hereby continuously appropriated to the board on behalf of the Department of Corrections and Rehabilitation for the purposes specified in Section 15819.39.

(c) For the purposes of this section, “construction related costs” may include mitigation costs of local government and school districts and may be made available pursuant to subdivisions (c) and (d) of Section 7005.5 of the Penal Code.

15819.42. Notwithstanding Section 15819.41, the amount of revenue bonds, negotiable notes, or negotiable bond anticipation notes to be sold shall equal the following:

(a) The cost of acquisition, design, construction or construction management and supervision, and other costs related to the design and construction of the facilities, including augmentations.

(b) Sums necessary to pay interim financing.

(c) In addition to the amount authorized by Section 15819.41, any additional amount as may be authorized by the board, including, but not limited to, the costs of financing. The costs of financing include, but are not limited to, interest during construction of the project, a reasonably required reserve fund, and the cost of issuance of permanent financing.

SEC. 2. The Department of Corrections and Rehabilitation is authorized to construct and establish two new prisons on land currently under the jurisdiction of the department adjacent to existing prisons. The department may either build two new prisons, or portions of new prisons at more than two locations, for a total of approximately 9,000 beds.

SEC. 3. Chapter 3.23 (commencing with Section 15819.43) is added to Part 10b of Division 3 of Title 2 of the Government Code, to read:

CHAPTER 3.23. FINANCING FOR CONSTRUCTION OF NEW
PRISONS

15819.43. The Department of Corrections and Rehabilitation may acquire land for, design, construct, and establish, new prisons as authorized in Section 2 of the act enacting this section.

1 The scope and costs of these projects shall be subject to approval
2 and administrative oversight by the State Public Works Board,
3 including augmentations, pursuant to Section 13332.11 or
4 13332.19.

5 15819.44. For all projects approved for financing by the
6 board pursuant to Section 15819.43, the board may borrow funds
7 for project costs, including acquisition, studies, preliminary plans
8 and working drawings, construction and construction related
9 costs from the pooled money investment account pursuant to
10 Sections 16312 and 16313. Project funds expended prior to
11 project approval by the board shall not be reimbursable from the
12 proceeds of the bonds.

13 15819.45. (a) The board may issue revenue bonds,
14 negotiable notes, or negotiable bond anticipation notes pursuant
15 to this part, to finance the acquisition, design, or construction,
16 and the costs of interim financing, of prison construction projects
17 authorized in Section 15819.43. Authorized costs for acquisition,
18 design, construction, and construction related costs, for all
19 projects approved for financing by the board pursuant to Section
20 15819.43, shall not exceed one billion two hundred twenty two
21 million dollars (\$1,222,000,000).

22 (b) Notwithstanding Section 13340, funds derived from
23 interim financing, revenue bonds, negotiable notes, or negotiable
24 bond anticipation notes issued pursuant to this chapter are hereby
25 continuously appropriated to the board on behalf of the
26 Department of Corrections and Rehabilitation for the purposes
27 specified in Section 15819.43.

28 (c) For the purposes of this section, “construction related
29 costs” may include mitigation costs of local government and
30 school districts and may be made available pursuant to
31 subdivisions (c) and (d) of Section 7005.5 of the Penal Code.

32 15819.46. Notwithstanding Section 15819.45, the amount of
33 revenue bonds, negotiable notes, or negotiable bond anticipation
34 notes to be sold shall equal the following:

35 (a) The cost of acquisition, design, construction or
36 construction management and supervision, and other costs
37 related to the design and construction of the facilities, including
38 augmentations.

39 (b) Sums necessary to pay interim financing.

(c) In addition to the amount authorized by Section 15819.45, any additional amount as may be authorized by the board, including, but not limited to, the costs of financing. The costs of financing include, but are not limited to, interest during construction of the project, a reasonably required reserve fund, and the cost of issuance of permanent financing.

SEC. 4. Chapter 9.8 (commencing with Section 6270) is added to Title 7 of Part 3 of the Penal Code, to read:

CHAPTER 9.8. REENTRY PROGRAM FACILITIES

6270. The Legislature finds and declares the following:

(a) In 2005, over 120,000 inmates were released from state prison facilities in California and paroled to communities throughout the state.

(b) Every day, parolees are released from prisons hundreds of miles from their county of last legal residence, making community reintegration difficult, which in turn poses a risk to public safety.

(c) Placing an inmate in a secure correctional facility within the community in which the person will be paroled during the approximately 90-day period prior to that person's parole would allow community organizations to provide wrap-around services both before and after the person's release to parole.

(d) The continuity of services provided both before and after the person's release to parole will improve the parolee's opportunity for successful reintegration into society.

(e) Placing an inmate in a secure correctional facility within the community prior to their parole into that community provides the opportunity for both parole and local law enforcement personnel to better coordinate supervision of that parolee.

(f) A parole violator serving a revocation term in a secure correctional facility within the community of their parole can benefit from a facility's programs in the same manner as an inmate nearing release to parole.

(g) There is an emerging consensus among researchers and policy makers nationally that a focus on reentry programs is a critical area of need in correctional programming.

6271. (a) The Department of Corrections and Rehabilitation is authorized to construct, establish and operate reentry program

1 facilities. These facilities shall be secure facilities of
2 approximately 500 beds capacity and, to the extent possible, be
3 located in urban locations.

4 (b) These facilities shall only be constructed in a city, county,
5 or city and county that requests a reentry program facility, and
6 the proposed location of the facility shall be identified by the
7 city, county or city and county.

8 6272. Reentry program facilities shall provide programming
9 to inmates and parole violators tailored to the specific problems
10 faced by this population when reintegrating into society. Persons
11 housed in these facilities shall receive risk and needs
12 assessments, case management services, and wrap-around
13 services that provide a continuity of support services between
14 custody and parole.

15 6273. In the locations where a reentry program facility is
16 constructed, the Department of Corrections and Rehabilitation
17 shall develop a collaborative partnership with the local
18 government, local law enforcement, and community service
19 providers.

20 6274. The Department of Corrections and Rehabilitation may
21 contract with a city, county, or city and county for the operation
22 of a reentry program facility pursuant to this chapter.

23 SEC. 5. This act is an urgency statute necessary for the
24 immediate preservation of the public peace, health, or safety
25 within the meaning of Article IV of the Constitution and shall go
26 into immediate effect. The facts constituting the necessity are:

27 As of June, 2006, the prison inmate population totaled nearly
28 172,000. More than 16,000 inmates are being housed in buildings
29 that were not designed as housing units, and all capacity in these
30 nontraditional spaces will be exhausted by June, 2007. In order to
31 provide prison capacity beyond 2007, and construct housing units
32 and related program space to replace nontraditional housing, it is
33 necessary that this act take effect immediately.

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